

IN THE MATTER OF FACT-FINDING) IMPASSE RECOMMENDATIONS
)
between)
)
City of Polk City, Iowa)
) Iowa PERB Case CEO #1095/3
-and-)
)
International Union of)
Operating Engineers,)
Local No. 234) February 9, 2003
))

APPEARANCES

For City of Polk City, Iowa

Jim Brick, Attorney
Michael Sparks, City Administrator

For International Union of Operating Engineers, Local No. 234

MacDonald Smith, Attorney
Kevin Holzhauser, Business Representative

JURISDICTION OF FACT-FINDER

The City of Polk City, Iowa (hereinafter referred to as the "City" or "Employer") and International Union of Operating Engineers, Local No. 234 (hereinafter referred to as the "Union") failed to conclude bargaining in negotiations for a first year collective bargaining agreement effective July 1, 2003 through June 30, 2004, and all mediation attempts were unsuccessful. The City and the Union (hereinafter referred to as the "Parties") are now proceeding to fact-finding under the statutory impasse procedure set forth in Chapter 20 of the Iowa Code.

The fact-finder, Richard John Miller, Maple Grove, Minnesota, was selected by the Parties from a panel submitted by the Iowa Public Employment Relations Board. A hearing in the matter convened on Friday, January 31, 2003, at 9:00 a.m. in the conference room at Metro Waste Authority, 300 East Locust Street, Des Moines, Iowa. The Parties were afforded full opportunity to present evidence and arguments in support of their respective positions. The Parties elected to make closing arguments in lieu of filing post hearing briefs. Following receipt of written evidence, testimony and arguments, the hearing was considered closed on that date.

ISSUES AT IMPASSE

There are several impasse issues with some subdivisions contained therein that remain unresolved by the Parties. The Parties, however, resolved the issue of benefits for part-time employees at the hearing. The Union agreed to accept the City's proposed language in this regard as follows:

Part Time Employee Benefits

An employee works less than 40 hours a week is considered a part-time employee. Part time employees are not eligible for employee benefits unless they work a minimum schedule of 25 hours per week. Part time employees who work 25 hours per week but less than 40 hours will receive vacation and Holiday benefits on a pro-rated basis. For example, an employee who works 30 hours per week would receive 3/4 of the vacation benefits given to an employee who works 40

hours per week. Holidays and PTO days will be given to part-time employees on the same basis as vacation benefits.

ISSUE ONE: ARTICLE 8 - WAGES

UNION POSITION

8.1 Each Employee shall be compensated in accordance with the respective classification title and corresponding salary range as set out in this Article.

8.2 All full-time and part-time Employees will be paid the hourly rate based on their Employment for the City within the classification they are working.

Deputy Clerk-

	<u>07-01-2003</u>
Start	\$11.15
6 months	\$11.40
1 year	\$11.65
2 years	\$12.10
3 years	\$12.55
4 years	\$13.05

Library Assistant -

	<u>07-01-2003</u>
Start	\$8.40
6 months	\$8.90
1 year	\$9.40
2 years	\$10.75

Police Patrol -

	<u>07-01-2003</u>
Start	\$14.40
6 months	\$15.00
1 year	\$15.60
2 years	\$16.41
3 years	\$17.11

Police SPO -

	<u>07-01-2003</u>
Start	\$17.11
6 months	\$17.35
1 year	\$17.65
2 years	\$17.95

Police Sergeant -

	<u>07-01-2003</u>
Start	\$18.00
6 months	\$18.25
1 year	\$18.50
2 years	\$19.00

Public Works Maintenance -

	<u>07-01-2003</u>
Start	\$13.31
1 year	\$14.33
2 years	\$15.35
3 years	\$16.37

Wastewater Operator -

	<u>07-01-2003</u>
Start	\$13.67
1 year	\$14.93
2 years	\$16.19

Public Works Supervisor will be paid Two Dollars and Fifty Cents (\$2.50) per hour above the highest step in the Public Works Maintenance classification.

The Union agrees that the City may hire seasonal help to assist full-time and part-time City Employees. These Employees' hourly rate will not exceed that of the starting rate of the classification they are assisting. At no time will the amount of seasonal Employees exceed the total full-time Employees employed within the classification. These Employees will have no recall or transfer rights.

8.3 Employees will advance through the steps upon completion of the required number of months in the particular job classification they hold.

8.4 Employees who are assigned the duties for Employees in a higher classification for more than five (5) consecutive days will receive the higher hourly rate of the higher classification for such work.

8.5 Employees required to work between the hours of 4:00 P.M. to 7:00 A.M. will be paid an additional Twenty-five Cents (\$.25) per hour above their appropriate base rate as a shift differential.

CITY POSITION

A 2% across-the-board wage increase.

RECOMMENDATION

An across-the-board wage increase of 3%. The Parties must first discuss and then should bargain a salary step structure rather than having it imposed by the fact-finder. The Union's request for higher classification pay and shift differential pay is denied.

RATIONALE

The Public Employment Relations Act provides no explicit criteria for fact-finder recommendations. It does, however, list factors arbitrators must consider in fashioning their awards at Section 20.22(9) of the Iowa Code. Since the fact-finder's recommendations may be selected later by an arbitrator if the Parties fail to reach final resolution on any of the outstanding impasse issues, it is important that those statutory criteria be

given appropriate consideration by the fact-finder. The factors have been considered by the fact-finder as follows:

9. The panel of arbitrators shall consider, in addition to any other relevant factors, the following factors:

a. Past collective bargaining contracts between the parties, including the bargaining that led up to such contracts.

b. Comparison of wages, hours and conditions of employment of the involved public employees with those of other public employees doing comparable work, giving consideration to factors peculiar to the area and the classifications involved.

c. The interests and welfare of the public, the ability of the public employer to finance economic adjustments and the effect of such adjustments on the normal standard of services.

d. The power of the public employer to levy taxes and appropriate funds for the conduct of its operations.

The Parties are to be commended for negotiating many tentative agreements contained in their first year contract. This was accomplished by the Parties' skillful negotiators and legal counsel. The tentative agreements were a result of the "give and take" by both Parties which should be the goal of any negotiations. While the Parties recognize that they did not get everything they wanted in negotiations, they found some reasonable middle ground in their tentative agreements.

The same approach is taken by this fact-finder. The fact-finder is committed to producing a contract which the Parties

themselves might have reached absence fact-finding. The fact-finder must rigorously avoid granting to either Party something they could not have negotiated during collective bargaining. This is especially true in this case where there is no past bargaining history or prior contracts, since this is the first collective bargaining contract between the Parties.

Another statutory criteria is comparability. The Union alleges that the cities of Abel (population 3,435), Altoona (10,345), Carlisle (3,497), Clive (12,855), Grimes (5,098), Indianola (12,998), Johnston (8,649), Norwalk (6,884), Pleasant Hill (5,070), Waukee (5,126) and Windsor Heights (4,805) are comparable to Polk City, since they are located near Des Moines and all but Adel and Clive are unionized.

The City, on the other hand, alleges that the cities of Bondurant (1,846), Mitchellville (2,037), Colfax (2,223) and Huxley (2,316) are comparable to Polk City, since they are similarly sized communities within 25 miles of Des Moines. The City also proposed a comparability group of 24 Iowa cities with populations between 2,000 and 2,700.

The Parties were unable to establish a mutually agreeable comparability group to compare wages and other terms and conditions of employment of bargaining unit employees with other comparable employees in other cities. This is not unusual for

first year contracts or even in contracts with a long-established bargaining history. What makes this task even more difficult in this case is that the total work force in the City is thirteen full-time employees and three part-time time employees, with the bargaining unit consisting of eight full-time employees and three part-time employees. The bargaining unit is comprised of a police sergeant, patrol officers, public works utility workers, public works foreman and three part-time library employees. Since the unionized work force is small in Polk City, many of the employees become a "jack of all trades" in order to complete the assigned tasks within the classifications of City workers. In fact, many of the classifications are filled with only one employee. This poses a problem when comparing City employees with employees in other cities. Some of the City's classification are not the same in other cities and, more importantly, the work performed in Polk City and the other comparable cities may not always be the same. Thus, a comparability group of employees performing "similar" duties in Polk City and the other cities may be the best the Parties can ever achieve in bargaining.

What further compounds the problem of ascertaining a reasonable comparability group is the fact that Polk City has a population of approximately 2,400 about 15 to 20 miles from Des

Moines, the largest city in Iowa. The small population of Polk City near the large metropolitan area of Des Moines poses a problem in that there are few cities with unionized work forces similar in size to Polk City that are close to Des Moines. Most of the unionized cities near Des Moines are considerably larger in size, with a larger industrial and residential tax base than Polk City.

To overcome this obstacle, the fact-finder would suggest that the Parties establish a comparability group consisting of all unionized cities with a population of plus or minus 3,000 of Polk City within 50 miles of the City. This group would currently encompass unionized cities up to 5,400 people within 50 miles of Polk City. This group would share similar economic, cultural and social ties. The comparable cities within this group from the known data supplied by the Parties would include Carlisle, Grimes, Pleasant Hill, Waukee, Windsor Heights, and Colfax.

The fact-finder has no data on whether the cities of Bondurant, Mitchellville or Huxley are unionized. If unionized, they should be included in the comparability group, as well as any other city that meets the above comparability criteria.

The cities of similar size to Polk City, but scattered throughout the State of Iowa do not share the same economic,

cultural and social ties as Polk City and should be rejected as a comparability group.

The third and fourth statutory criteria relate to the ability of the City to fund the Union's economic requests. The Union's requests for all outstanding economic issues exceed 30.17%, compared to the City's proposals which exceed 2%. The Union's request for wage increases alone would require the City to use its entire tax levy. Clearly, the City would have to dip into its reserves to fund the Union's proposals. The City does have adequate reserves to fund the Union's proposals if deemed appropriate by the other statutory criteria. The City also hopes to increase its future tax base by the addition of the Tournament Club of Iowa at Big Creek which is a luxury golf course, with residential housing.

The Union's proposed salary step structure is a new concept in the City. The City's current salary structure is based upon a wage rate determined by the City without regard to step increases from the starting rate to the maximum rate. The increased cost of implementing the Union's proposed salary step structure would be \$18,837, with a percentage increase over current wage base of 7.97%.

A salary step structure is common in cities and other political subdivisions. The structure itself, however, is

universally negotiated by the parties and not imposed by a neutral. This is especially relevant to this case because the Parties never had meaningful negotiations over a salary increase, let alone a salary step wage structure. The Parties should first negotiate in good faith over this structure and if an impasse arises over time it then could be addressed by a neutral.

The analysis of the wage data from the fact-finder's proposed comparability group shows that the assistant city clerk position is considerably behind the average of those cities, but Polk City is a part-time position compared to full-time for the other cities. The library worker classification is \$3.33 per hour below the average of the comparable cities of Grimes, Pleasant Hill and Waukee, which were the only cities with known data. The police officer classification is \$4.73 per hour below the average of the comparable cities of Pleasant Hill, Waukee, and Windsor Heights (with Colfax having a rate of \$10.41 to \$15.69), which were the only cities with known data. The police sergeant classification is \$4.38 per hour below the average of the comparable cities of Pleasant Hill, Waukee, and Windsor Heights, which were the only cities with known data. The laborer II classification is \$2.31 per hour below the average of the comparable cities of Grimes, Colfax, Waukee, and Windsor Heights, which were the only cities with known data.

The above data establishes that the majority of unionized employees are considerably below the average of the comparable cities at the current time. There is, however, no settlement data for the following year, except Colfax is at 4%, which is the second year of a multi-year contract. The annual CPI for U.S. Cities (all items) for 2002 was 1.6%.

Based upon these considerations, the fact-finder recommends a wage increase of 3% for all unionized employees. This should at least maintain and, hopefully, make a modest improvement in the relative position of Polk City once the majority of the comparable cities settle for next year. The Parties should attempt in future bargaining to lessen the gap between the comparable cities and Polk City with respect to wages.

There was no data produced by the Union among the comparables for inclusion of higher hourly rate of pay for working in a higher classification for more than five consecutive days. In addition, there is no comparable data for recommending a shift differential.

ISSUE TWO - ARTICLE 20 - LONGEVITY PAY

UNION POSITION

20.1 Longevity pay is a benefit granted to all full-time and permanent part-time Employees. It will be added to the base rate of an Employee and be used to compute all hourly compensation for the Employee. Longevity pay is granted in accordance with the following schedule:

Years of Service

3 to 5 years	\$.05 per hour
6 to 10 years	\$.10 per hour
11 to 15 years	\$.15 per hour
16 to 20 years	\$.20 per hour
21 + years	\$.25 per hour

CITY POSITION

No longevity pay.

RECOMMENDATION

Grant longevity payments as follows:

Start of 5 years	- \$.05 per hour
Start of 10 years	- \$.10 per hour
Start of 15 years	- \$.15 per hour
Start of 20 years	- \$.20 per hour

RATIONALE

If the Union's proposal is granted for longevity pay seven employees would be eligible for immediate payment. The estimated annual cost would be \$3,300, with the percentage increase over current wage base of 1.40%.

The comparables establish that four cities (Carlisle, Grimes, Pleasant Hill and Windsor Heights) grant longevity payments, with Waukee being a question mark and Colfax not reporting longevity. It is clear that the majority of the cities grant longevity payments. It should be noted, however, that all of the cities that grant longevity do so at the start of the 5th year of employment, not at the 3rd year, as requested by the Union.

Due to the fact that the average wage rate for the majority of unionized employees is considerably below the average of the comparable cities, and the majority of the comparable cities grant longevity payments at the start of an employee's fifth year of employment, it is reasonable to grant longevity payments.

The longevity payment schedule is consistent with the comparable cities and also reduces the Employer's potential cost, which makes it more affordable to the City, as opposed to the Union's proposal.

ISSUE THREE: OVERTIME

UNION POSITION

6.2 City Employees except Police Service

(b) Overtime. Employees shall receive overtime for all hours worked or paid in excess of their normal eight (8) hour work day or forty (40) hours per week at a premium rate of one and one-half (1-1/2) time their basic hourly rate. If Employees are scheduled for a four (4) day ten (10) hour work week then Employees would receive overtime for all hours worked or paid in excess of their normal ten (10) hour work day or forty (40) hours per week at a premium rate of one and one-half (1-1/2) time their basic hourly rate. Employees required to work on Sunday will be paid at a premium rate of two (2) times their basic hourly rate.

6.3 Police Service

(e) Police Employees will be paid for actual time incurred for court appearances. This pay shall include travel time to and from the court appearance at their hourly rate.

(f) Police Employees shall receive overtime for all hours worked or paid in excess of their normal scheduled work day

or forty (40) hours per week at a premium rate of one and one-half (1-1/2) times their basic hourly rate.

6.4 All Employees

(a) Employees who work on a holiday, in addition to their holiday pay, shall be compensated at the rate of one and one-half (1-1/2) times their regular rate of pay for each of the first eight (8) hours (normal work day for Police Employees) worked and at a rate of two (2) times their regular rate of pay for hours worked in excess of eight (8) hours (or in excess of normally scheduled work day for Police Employees).

(d) All call outs, except for emergency overtime, must be authorized by the City Administrator or his/her designee prior to starting of any overtime work to be performed. Employees shall receive a minimum of two (2) hours at the Employee's overtime rate for each authorized call-out. Employees expected to be available for duty, and assigned to be on-call, and notified of hours and days of on-call duty shall be paid Two Dollars (\$2.00) per hour for all hours the Employee is required to standby for duty.

(g) Overtime shall be computed to the nearest half hour.

(j) It is expected that Employees should have at least eight (8) hours of rest between work shifts. Should it become necessary for an Employee to report to his next shift assignment without an eight (8) hour break, they will then be compensated at the premium rate of one and one-half (1-1/2) times their base rate. This rate will continue until they are relieved from duty for a continuous eight (8) hour period.

CITY POSITION

The Employer shall determine when overtime is necessary and assign the employees to overtime work as is deemed in the best interest of the employer. Overtime shall be compensated at the rate of one and one-half (1 1/2) times the employee's regular rate of pay for all work in excess of 40 hours per work week.

Failure of the employee to work assigned overtime will subject the employee to disciplinary action.

In no event will overtime be paid more than once for the same hours worked.

There shall be no pyramiding of overtime.

Holiday pay will be compensated at the rate of 1 and 1/2 times the regular rate plus holiday pay.

RECOMMENDATION

The Employer shall determine when overtime is necessary and assign the employees to overtime work as is deemed in the best interest of the employer. Overtime shall be compensated at the rate of one and one-half (1 1/2) times the employee's regular rate of pay for all work in excess of 8 hours per day and after 40 hours per work week.

Failure of the employee to work assigned overtime will subject the employee to disciplinary action.

In no event will overtime be paid more than once for the same hours worked. There shall be no pyramiding of overtime.

Police Employees will be paid for actual time incurred for court appearances on behalf of the City. This pay shall include travel time to and from the court appearance at their hourly rate.

Holiday pay should be compensated at the rate of one and one-half times the regular rate plus holiday pay.

Overtime payment for working on Sunday should be at the rate of one and one-half times the regular rate.

Provide for a call-out pay at one and one-half times with a two hour minimum for each authorized call-out.

No overtime rate if it is necessary for an employee to report to his or her next shift assignment without an eight hour break between shifts.

RATIONALE

The Parties agreed during the hearing that in no event will overtime be paid more than once for the same hours worked. They also agreed that there shall be no pyramiding of overtime. Finally, the Parties agreed that Police Employees will be paid for actual time incurred for court appearances on behalf of the City. This pay shall include travel time to and from the court appearance at their hourly rate.

Four of the five comparable cities grant overtime pay of 1 and 1/2 times after 8 hours and after 40 hours of work. The current City policy grants overtime pay of 1 and 1/2 times only after 40 hours in one week. Therefore, there is justification for recommending the Union's proposal in this regard.

As to the Union's other proposed overtime and holiday pay provisions, there is no justification among the comparables or even in the current City Policy. The consensus among the

comparables is that holiday pay should be compensated at the rate of 1 and 1/2 times the regular rate plus holiday pay. Further, if an employee works on a Sunday, the majority of the comparables do not provide for overtime hours at two times, as requested by the Union. The only two comparables that provide for two times overtime payment are Grimes and Pleasant Hill.

Four of the five comparables (Carlisle, Grimes, Pleasant Hill and Windsor Heights) provide for a call-out pay at one and 1/2 times with a two hour minimum. As such, there is ample justification to recommend this payment.

There is no comparability for inclusion of the Union's request for overtime payment if an employee reports to his or her next shift assignment without an eight hour break between shifts.

ISSUE FOUR: ARTICLE 10 - HOLIDAYS

UNION POSITION

(a) There shall be eight (8) paid City holidays which shall coincide with existing State holidays as to the date of observance. In addition, there shall be six (6) personal days to be observed at the convenience of the Employee. All full-time and permanent part-time Employees are eligible for holiday pay.

Employees will be credited July 1st of each year with six (6) personal days. If they are not used in the fiscal year, Employees have sixty (60) days in the next fiscal year to use the carryover of unused days. Employees may cash in their accumulated casual days at anytime. Employees will give the Employer eight (8) hours notice before the start of shift (except in the case of medical or other unforeseen emergency) the desire to use a personal day.

Employees who use vacation or compensatory time on their regularly scheduled work day before or after a recognized holiday shall not receive eight (8) hours holiday pay unless such vacation or compensatory time has been approved, in writing, prior to the holiday by their Supervisor or his/her designee. All other paid time shall count as time worked by the Employee on their regularly scheduled work day before or after the recognized holiday.

(b) Holidays

January 1	New Years Day
May	Memorial Day
July 4	Independence Day
September	Labor Day
November	Thanksgiving Day
November	Friday after Thanksgiving
December 25	Christmas
December	Day before or day after Christmas as determined by the City Council

CITY POSITION

SECTION 1.

Holidays for the time covered by this contract shall be observed as follows:

- a. Independence Day
- b. Labor Day
- c. Thanksgiving Day
- d. Day after Thanksgiving
- e. Christmas eve (1/2 day)
- f. Christmas Day
- g. New Year's Day
- h. Memorial Day

All holidays shall be observed from midnight the preceding day to midnight of the specified holiday.

SECTION 2.

All holidays which fall on Saturday shall be observed on the preceding Friday and all holidays which fall on Sunday shall be observed on the following Monday.

SECTION 3.

All eligible employees shall receive eight (8) hours of straight time pay, provided the employee has worked his or her last scheduled day before the holiday and their first scheduled day following the holiday. Employees who are scheduled to work the holiday or the day before or day after the holiday, and call in sick will not receive the eight (8) hours of holiday pay.

SECTION 5.

If a holiday falls on employee's scheduled day off or vacation, such employee will be paid for the holiday or given equivalent time off with pay if such arrangement is approved in writing with the employee's Department Head.

SECTION 6.

Employees required to work a holiday shall receive time and one-half in addition to their holiday pay.

SECTION 7.

PTO accrues at the rate of 1/2 day per month of continuous service in any fiscal year for full-time employees, after the Introductory Period, with a maximum of 6 days per Fiscal year.

RECOMMENDATION

The City's proposed language should be adopted by the Parties.

RATIONALE

Although the comparables establish that the average number of paid holidays is ten, none of them grant paid time off (PTO) days to their employees. The City grants 7 1/2 days of holiday pay, with the possibility of earning 6 PTO days per Fiscal Year. Consequently, the combination of paid holidays and PTO is an existing benefit far better than the comparable cities.

There is no justification for the Union's proposal that the entire six PTO days shall be credited July 1st of each year to employees. The City's Policy has always been that PTO is an earned benefit that accrues on a monthly basis to a maximum of 6 days per Fiscal Year. Moreover, none of the comparables even grant PTO days, let alone all of them on the first day of the Fiscal Year.

ISSUE FIVE: ARTICLE 12 - SICK LEAVE

UNION POSITION

12.3 A permanent full-time or part-time Employee shall earn sick leave with full pay at the rate of four (4) hours per month during the first and second years of continuous employment, after the second year sick leave shall accumulate at the rate of eight (8) hours per month. Sick leave may be accrued up to a maximum of five hundred eighty (580) hours.

12.4 Sick Leave Allowed

Sick leave will be granted for the following reasons:

(a) Injury on the Job - Absence due to injury received on the job. Sick leave pay shall be used to compensate for the difference between Workman's Compensation Insurance and full pay.

(b) Other Illness or Injury - Personal Illness or physical incapacity resulting from causes beyond the control of the Employees.

(c) Quarantine - Forced quarantine of the Employee in accordance with State and Community Health Regulations.

(d) Medical and Dental Appointments - These should be scheduled at the beginning or end of the work day whenever possible to avoid disruption of work.

(e) Immediate Family Provision - When an Employee must be away from the job because of a serious illness or injury in the immediate family requiring the Employee's presence to care for the ill or injured family worker, such leave shall be granted by the Employer and charged against sick leave time accrued.

12.5 Other Accrued Time Allowed for Sick Leave

At such time as an Employee exhausts all of their sick leave benefits, accrued overtime, holiday and vacation credits may be used to continue pay during the remainder of the sick leave. Medical progress reports may be required prior to approval of such payments.

12.8 Procedures

Continuation of pay during absence from duty due to sickness or other approved reasons, shall depend upon compliance with the following procedures:

(a) On the first day of absence from duty, the Employee, or someone on their behalf, shall notify the City of reason for such absence. If the duration of the illness lasts longer than one (1) day, the Employee must notify Management daily.

(c) An Employee may be required, after three (3) days of absence, to furnish a certificate from a licensed physician or practitioner to support their sick leave claim.

12.10 Second Medical Opinion

In cases of disability certified by an Employee's personal physician, the City has the right to obtain a second medical opinion to confirm the Employee's ability or inability to work such examinations will be performed by a licensed physician of the City's choosing; and at City expense. The consulting physician shall submit a written report to the City Council who will have final decisions with regard to granting sick leave benefits. Employees who refuse to submit to such an examination may become ineligible for sick leave benefits (for the particular disability in question).

CITY POSITION

SECTION 1.

Sick leave shall accumulate at the rate of .77 hours per week for each forty hour week worked until a total of one-hundred and sixty (160) hours of sick leave is accumulated. If all or any part of the employee's sick leave is used, further accumulation shall accrue until a total of one hundred and sixty hours is attained.

SECTION 2.

Sick leave will be paid only for sickness or illness that results in the employee's inability to come to work.

SECTION 3.

A medical doctor's certificate affirming the inability of an employee to work shall be furnished to the Employer by the employee; after the second consecutive day of sick leave; or after three (3) "single day" sick leaves have been granted an employee during any calendar year, before the employee is paid for any additional absence due to sickness. In order to be eligible for sick leave pay, employees must notify the Employer at least fifteen (15) minutes prior to the beginning of the employee's work schedule.

SECTION 5.

Sick leave will be allowed only for those reasons specifically authorized in Section 2 above. Misuse of sick leave by an employee shall cause him or her to forfeit all of his accumulated sick leave credit.

SECTION 6.

Every employee shall call in daily requesting sick leave during an illness unless the department head waives this requirement in specific cases.

RECOMMENDATION

The Employer's proposal should be adopted.

RATIONALE

Current sick leave benefits allow employees to accumulate a maximum of 160 hours of sick leave at the rate of five per year.

The Union proposes that sick leave be increased an additional seven days each year and the maximum amount of accumulated sick leave be increased an additional 420 hours. The estimated cost of the Union's proposal is \$47,706 based on sick days being used. No cost was calculated for additional accumulation.

The City's proposal generally adheres to the current policy with respect to rate and accumulation of sick leave. All of the comparable cities (Carlisle, Grimes, Pleasant Hill, Waukee and Windsor Heights) grant a sick leave accumulation rate of 1 per month, with an average maximum accumulation rate of 101 days. At first blush, one could reasonably conclude that the current City Policy is not within the mainstream of the comparable cities in these regards. This, however, is not necessarily true based upon one important consideration. The reason the City's maximum is capped at 160 hours is due to the disability insurance the City has extended to all full-time employees. The disability insurance benefits cover eligible employees for 100% of their lost wages. This benefit is greater than the average leave benefit provided by the comparable cities. Thus, when both sick leave accumulation rate and maximum accumulation are considered and balanced against the disability insurance benefits provided by the City, the City's position is fair and equitable compared to the comparable cities.

The other provisions contained in the City's position generally adhere to current City Policy. While it is true sick leave only applies to employees and not to family members, there was no evidence that the majority of the comparable cities adhere to that concept. On a whole, the City's sick leave proposal is fair and equitable to employees and within the mainstream of comparable cities. The additional cost of the Union's proposal is not justified by the evidence.

ISSUE SIX: ARTICLE 24 - UNION DUES CHECK-OFF

UNION POSITION

24.1 During the life of this Agreement and in accordance with the terms of the authorized dues check-off form, or as required by law, the City agrees to deduct per each pay period union dues, initiation fees and other uniform assessments from the pay of those Employees who individually request, in writing, that such deductions be made. The monies so deducted during the month will be remitted on or before the fifteenth (15th) day of the following month, to the Financial Secretary of the Union. A member of the Union may revoke their check-off authorization by giving both the City and the Union thirty (30) days written notice.

24.2 The Union agrees to save the City harmless from any action growing out of these deductions and commenced by any Employee against the City and assumes full responsibility for the disposition of the funds so deducted once they have been submitted to the Financial Secretary of the Union.

CITY POSITION

The City opposes the inclusion of Union dues check-off until such time that its software vendor can provide new or additional software to make the deductions per each pay period.

RECOMMENDATION

The Parties should work together to find a software solution to Union dues check-off deductions per payroll period. If there is no software solution, the City should make the deductions manually as per the Union's proposed language in Section 24.1. Both Sections 24.1 and 24.2 should also be incorporated in the contract.

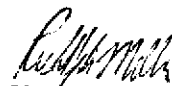
RATIONALE

The Union's proposed language is commonplace in all of the comparable cities and should be incorporated in the contract. The Parties should work together to find a solution to the software problem of having the computer make the payroll deductions for Union check-off rather than having to do it manually. One would reasonably believe that if all other employee deductions are now being accomplished by the current software program, mere re-programming of the current software program or a software patch could be obtained from the software vendor or another vendor with minimal cost to the City to achieve the deduction schedule, as proposed by the Union.

In conclusion, Rome was not build in one year, nor should a first year collective bargaining agreement achieve the goals and desires of each Party. The fact-finder's recommendations are a foundation to building a solid and respectable collective

bargaining relationships between the Parties. One important goal of the Parties should be to establish a group of comparable cities. Once that has been established, the Parties can fine-tune their successor agreements and remain in the mainstream of comparable cities.

While it is true that the majority of wages paid to employees are considerably below average of the comparable cities proposed by the fact-finder, this must be tempered with the fact that the City has a premium health insurance program which essentially pays for all employee medical (including co-pays) and premium costs. There are not many cities that provide this premium health insurance coverage. In addition, the City provides for life insurance for both the employee (\$25,000) and spouse (\$10,000). As a result, the Parties should bargain in the future based upon the total package wage and fringe benefits received by the employees rather than solely upon them individually.



Richard John Miller

Dated February 9, 2003, at Maple Grove, Minnesota.

CERTIFICATE OF SERVICE

I certify that on February 9, 2003, I served the foregoing Fact-Finding Recommendations upon each of the parties' representatives to this matter and to the Iowa PERB by U.S. Regular Mail at their respective addresses as shown below:

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